



## INSPECTOR GENERAL REPORT

2005-05-0295

November 16, 2005

### BMV ABANDONED VEHICLES

*Special Agent Dave Clark and Inspector General David O. Thomas report to Governor Mitchell E. Daniels, Jr., as follows:*

This matter involves Bureau of Motor Vehicles (“BMV”) Compliance Officers working in the Dealer and Special Sales Division of the BMV. The sale of abandoned vehicles comes under the responsibilities of this division. Compliance Officers conduct auctions of abandoned vehicles held over thirty days at various private tow companies. Over 30,000 vehicles are sold at these auctions annually.<sup>1</sup> This investigation focuses on the purchase of these auctioned vehicles by BMV Compliance Officers who are conducting the auctions.

There was no written policy prohibiting BMV compliance officers from purchasing these vehicles until a BMV memorandum was issued on September 28, 2004. This memorandum was based on the original suggestions provided to BMV in July of 2004 by Special Agent Dave Clark, who was then the Investigator for the Indiana State Ethics Commission.

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<sup>1</sup> This procedure is governed by IC 9-22-1.

Prior to this investigation, a BMV Compliance Officers had been suspended without pay for purchasing vehicles from auctions he had conducted.

The Office of Inspector General makes two recommendations:

1.

The BMV should institute a firm, formal, enforceable policy communicated to all BMV Compliance Officers and other division employees regarding auction and personal vehicle purchase activities.

2.

Especially due to the low salary base of these BMV Compliance Officers who are responsible for monitoring these auctions, the BMV should consider supplying vehicles to these officers. This would be warranted due to the large amount of travel required of these officers in the performance of their jobs, and especially since BMV currently reimburses these compliance officers for mileage.

Recommended this 16<sup>th</sup> day of November, 2005.

A handwritten signature in cursive script, reading "David O. Thomas".

David O. Thomas, Inspector General